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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission  
**DOCKETED**

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AZ CORP COMMISSION  
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MIKE GLEASON  
KRISTIN K. MAYES

DOCKETED BY

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IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY, INC.,  
AN ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE CURRENT FAIR  
VALUE OF ITS UTILITY PLANT AND  
PROPERTY AND FOR INCREASES IN ITS RATES  
AND CHARGES BASED THEREON FOR UTILITY  
SERVICE BY ITS SUN CITY WEST WATER AND  
WASTEWATER DISTRICTS.

DOCKET NO. WS-01303A-02-0867

IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY, INC.,  
AN ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE CURRENT FAIR  
VALUE OF ITS UTILITY PLANT AND  
PROPERTY AND FOR INCREASES IN ITS RATES  
AND CHARGES BASED THEREON FOR UTILITY  
SERVICE BY ITS SUN CITY WATER AND  
WASTEWATER DISTRICTS.

DOCKET NO. WS-01303A-02-0868

IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY, INC.,  
AN ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE CURRENT FAIR  
VALUE OF ITS UTILITY PLANT AND  
PROPERTY AND FOR INCREASES IN ITS RATES  
AND CHARGES BASED THEREON FOR UTILITY  
SERVICE BY ITS MOHAVE WATER DISTRICT  
AND ITS HAVASU WATER DISTRICT.

DOCKET NO. W-01303A-02-0869

IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY, INC.,  
AN ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE CURRENT FAIR  
VALUE OF ITS UTILITY PLANT AND  
PROPERTY AND FOR INCREASES IN ITS RATES  
AND CHARGES BASED THEREON FOR UTILITY  
SERVICE BY ITS MOHAVE WATER DISTRICT  
AND ITS ANTHEM WATER DISTRICT, ITS  
AGUA FRIA WATER DISTRICT, AND ITS  
ANTHEM/AGUA FRIA WASTEWATER  
DISTRICT.

DOCKET NO. WS-01303A-02-0870

**STAFF'S STATEMENT OF  
OBJECTIONS TO ARIZONA-  
AMERICAN WATER COMPANY'S  
REBUTTAL TESTIMONY**

1 IN THE MATTER OF THE APPLICATION OF  
2 ARIZONA-AMERICAN WATER COMPANY,  
3 INC., AN ARIZONA CORPORATION, FOR A  
4 DETERMINATION OF THE CURRENT FAIR  
5 VALUE OF ITS UTILITY PLANT AND  
6 PROPERTY AND FOR INCREASES IN ITS  
7 RATES AND CHARGES BASED THEREON  
8 FOR UTILITY SERVICE BY ITS TUBAC  
9 WATER DISTRICT.  
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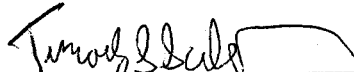
DOCKET NO. W-01303A-02-0908

**STAFF'S STATEMENT OF  
OBJECTIONS TO ARIZONA-  
AMERICAN WATER  
COMPANY'S REBUTTAL  
TESTIMONY**

Staff is concurrently filing its surrebuttal testimony in these consolidated rate cases. Staff also files this Statement of Objections to Arizona Water Company's Rebuttal Testimony. Several of Arizona-American's witnesses offer "testimony" as to the interpretation of the Arizona Constitution and cases interpreting it. See Bourassa Rebuttal at 9; Zepp Rebuttal at 28 and 30. It is well-established that expert testimony is not permitted as to matters of domestic law. See, e.g. *Southern Pine Helicopters, Inc. v. Phoenix Aviation Managers, Inc.*, 320 F.3d 838, 841 (8<sup>th</sup> Cir. 2003); *Christiansen v. City of Tulsa*, 332 F.3d 1270, 1283 (10<sup>th</sup> Cir. 2003); *Aguilar v. International Longshoremen's Union Local #10*, 966 F.2d 443, 447 (9<sup>th</sup> Cir. 1992); 32 C.J.S. Evidence § 634 (1996).

Moreover, even if these legal matters were the proper subject of legal testimony, Arizona-American's witnesses are unqualified to offer expert testimony on legal subjects. Staff will not compound these errors by addressing legal matters in its surrebuttal testimony. Instead, Staff will rebut these legal arguments in Staff's briefs in this case. The Commission should give no weight to this improper and unqualified testimony.

RESPECTFULLY SUBMITTED this 31<sup>st</sup> day of October 2003.

  
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Timothy J. Sabo  
Attorney, Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007  
(602) 542-3402

1 The original and twenty-one (21) copies  
of the foregoing were filed this  
2 31<sup>st</sup> day of October 2003 with:

3 Docket Control  
Arizona Corporation Commission  
4 1200 West Washington Street  
Phoenix, Arizona 85007  
5

6 Copies of the foregoing were mailed  
this 31<sup>st</sup> day of October 2003 to:

7 Norman D. James  
8 Jay L. Shapiro  
Fennemore Craig  
9 3003 N. Central Avenue, Suite 2600  
Phoenix, AZ 85012  
10 Attorneys for Arizona-American Water Company

11 Daniel Pozefsky  
RUCO  
12 1110 W. Washington, Suite 220  
Phoenix, Arizona 85007  
13

William P. Sullivan  
14 Paul R. Michaud  
Martinez & Curtis  
15 2712 North 7<sup>th</sup> Street  
Phoenix, Arizona 85006  
16 Attorney for the Town of Youngtown

17 Carlton G. Young  
3203 W. Steinbeck Drive  
18 Anthem, Arizona 85068-1540

19 Frank J. Grimmelmann  
42441 N. Cross Timbers Court  
20 Anthem, Arizona 85086

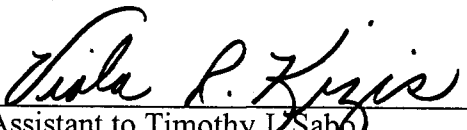
21 Raymond E. Dare  
Sun City Taxpayers Association  
22 12611 N. 103<sup>rd</sup> Avenue, Suite D  
Sun City, Arizona 85351-3467  
23

Walter W. Meek, Pres.  
24 AUIA  
2100 N. Central Ave., Suite 210  
25 Phoenix, Arizona 85004

26 John A. Buric  
27 Warner Angle Hallam Jackson & Formanek PLC  
3550 N. Central Ave., Suite 1500  
28 Phoenix, AZ 85012  
Attorneys for Fiesta RV Resort Limited Partnership

1 Mr. David P. Stephenson  
2 Director of Rates and Revenues  
3 American Water Works Service Co., Inc.  
4 303 H Street, Suite 250  
5 Chula Vista, California 91910

6 Kenneth C. Sundlof, Jr.  
7 Robert Taylor  
8 Jennings Strouss & Salmon PLC  
9 The Collier Center, Floor 11  
10 201 E. Washington Street  
11 Phoenix, AZ 85004-2385  
12 Attorneys for Sun Health Corporation

13  
14   
15 Assistant to Timothy J. Sabo  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28